



State of Washington  
Department of Revenue

# Excise Tax Advisory

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Excise Tax Advisories (ETA) are interpretive statements issued by the Department of Revenue under authority of RCW 34.05.230. ETAs explain the Department's policy regarding how tax law applies to a specific issue or specific set of facts. They are advisory for taxpayers; however, the Department is bound by these advisories until superseded by Court action, Legislative action, rule adoption, or an amendment to or cancellation of the ETA.

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## FEDERAL GOVERNMENT CONTRACTORS HAULING OUT-OF-STATE GOODS

Issued May 29, 1970

Is the income of a federal government contractor derived from the movement of goods within the state subject to state taxation, although the goods originated outside the state?

The taxpayer hauled mail under contract with the United States Post Office from a point within the state to points both within and without the state. Part of the mail originated or was destined outside the state.

The department held that federal government contractors are subject to public utility tax upon revenue attributable to hauls between Washington points only, notwithstanding the origin or destination of individual pieces of mail. Thus, only revenue received from hauls originating in Washington to points outside the state or from points outside the state to destinations in Washington is not subject to state tax liability.

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***ETBS have been made Excise Tax Advisories, and have retained their old number. Advisories with a 2 (plus three digits) are new advisories, ETBs that have been revised and readopted after review under the Department's regulatory improvement program, or advisories that have been revised and/or readopted.***

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